REMARKS

Following entry of this Amendment, claims 1-16 and 18-21 are pending in the application. Claims 1 and 9 have been amended to address objections raised in the Office Action concerning minor typographical errors. Claim 17 has been canceled and claims 18-21 have been added.

Objection to the Drawings

Figures 1, 2A, 2B and 3 have been amended to address the objections stated in the Office Action. Therefore, Applicants respectfully request withdrawal of the objections to the drawings.

Claim Objections

Claims 1 and 9 have been amended to address the objections raised in the Office Action. Therefore, Applicants respectfully request withdrawal of the objections to the claims.

Rejections Based Upon 35 U.S.C. §101

Claim 17 stands rejected under 35 U.S.C. §101 as allegedly being directed to non-statutory subject matter. Claim 17 is cancelled so the §101 rejection is moot.

Rejections Based Upon 35 U.S.C. §102(e)

Claims 1-6, 8-14 and 16-17 stand rejected under 35 U.S.C. §102(e) as being anticipated by a patent by Gustavsson et al. (U.S. Patent No. 6,804,796; hereinafter referred to as "Gustavsson"). With respect to independent claims 1 and 9, Gustavsson neither teaches nor suggests an "extracting at least one minimum set of test events. (Claim 1). Simply stated, Gustavsson is directed to a system that saves entire sets of test inputs and corresponding test outputs. In contrast, Applicants' claimed subject matter is directed to a system that, among other things, saves some test inputs and doesn't save others, thus the extraction of a minimum set. The advantage of this approach over Gustavsson is that saved testing situations are more compact and portable. The cited portions of Gustavsson with respect to this element address verification but not extraction, specifically the removal of selected test inputs from corresponding test outputs after determining that the specific inputs are not necessary to produce the output. After a careful review of the remainder of Gustavsson, Applicants do not believe that the cited art teaches this particular element.

To reject a claimed invention under §102, all the claim limitations must be taught or suggested by the prior art. (M.P.E.P., §2143,03, citing *in re Royka*, 490 F.2d 981; 180 U.S.P.Q. 580 (CCPA 1974)). In addition, "All words in a claim must be considered in judging the patentability of that claim against prior art." (*Id.*, citing *In re Wilson*, 424 F.2d 1382, 1385; 165 U.S.P.Q. 494, 496 (CCPA 1970); *emphasis added*). Therefore, Applicants respectfully request withdrawal of the §102(e) rejections of claims 1-6, 8-14 and 16.

Rejections Based Upon 35 U.S.C. §103(a)

Claims 7 and 15 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Gustavsson. Claims 7 and 15 are dependent upon allowable independent claims and, therefore, Applicants respectfully request withdrawal of the rejections based upon §103(a).

CONCLUSION

It is respectfully submitted that all issues and rejections have been adequately addressed and that pending claims 1-16 and 18-21 are allowable and that the case should be advanced to issuance. If the Examiner has any questions or wishes to discuss the claims, the Examiner is encouraged to call the undersigned at the telephone number indicated below.

It is believed that no fees are due with the filing of this Amendment. However, should any fees be due, the Commissioner is hereby authorized to charge such fees to the deposit account of Greg Goshorn, P.C., Deposit Account No. 50-2491

Respectfully submitted,

Date: Oct. 17 2006

By: Gregory K. Goshorn Reg. No.: 44,721

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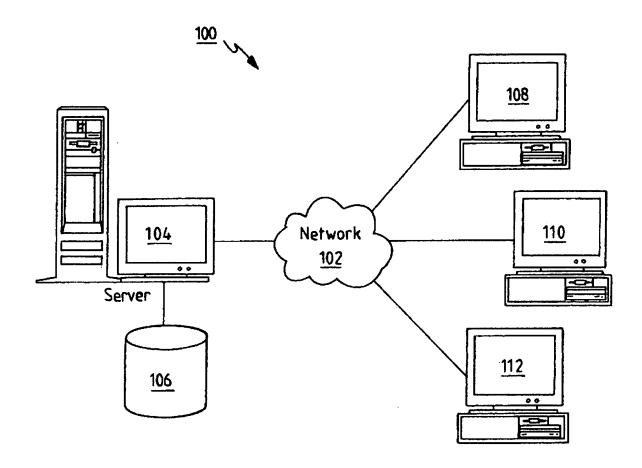
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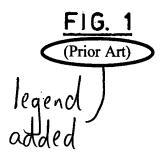
APPENDIX A

Appendix A includes replacement sheets for Figures 1, 2A, 2B and 3. Also included following each figure is a sheet with the changes circled.



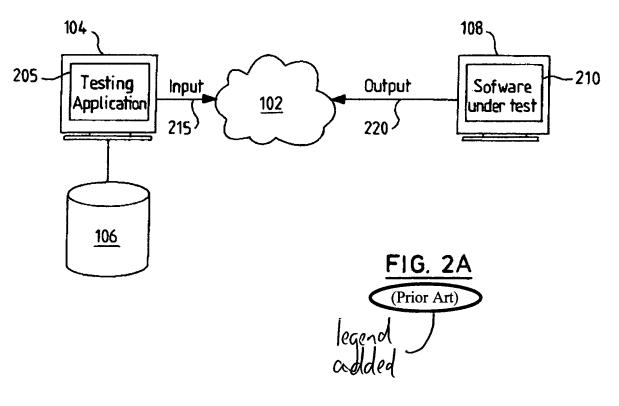
1/7 GB20010070US1 Replacement Sheet (Showing Changes)





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2/7 GB20010070US1 Replacement Sheet (Showing changes)



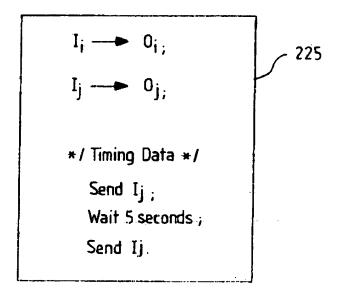
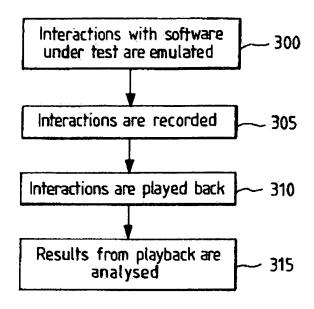


FIG. 2B
(Prior Art)
legend
added

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3/7
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Replacement Sheet (Showing changes)



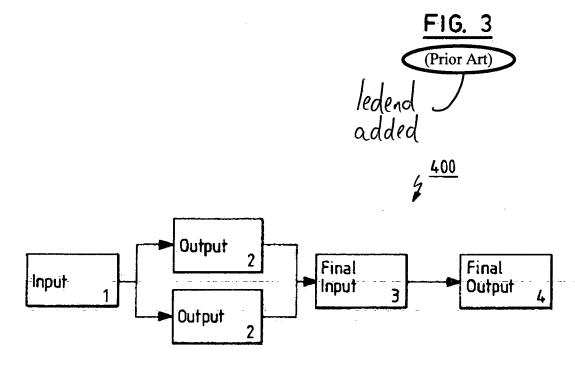


FIG. 4